(After an introduction by Dr Widnall, Gen Moorman, Air Force Vice Chief of Staff, took the podium.)

Thank you, Madam Secretary, and I am grateful to the secretary for ceding some time to me to talk about a topic which is very important to the Air Force, very important to the national security space community and very important to me personally.

I represent the uniformed service today and what the secretary didn't mention is that the Air Force is the steward of the national security space program and is the executive agent for space launch.

And so this is a very big day to us. I guess I also represent corporate memory on this journey to achieve this new generation of launch vehicles and if you'll bear with me, I'd like to talk a little bit about that, to put this into context.

We began the space program with launchers that were derivatives of ICBM missile systems and to this day they basically are. Shortly after Challenger, we realized that the country needed to have a new generation of launch systems. Quite frankly, the systems were too expensive and they took too long to launch a satellite into orbit. The processing time was too long.

We along the way at -- from Challenger on -- we had many false starts in this journey to seek a new booster. The advance launch system, the national launch system were two that I can recall. And both of those were not successful because, quite honestly, we could never reach consensus among the four space sectors.

And they are the intelligence sector, the civil space sector represented primarily by NASA, the commercial space sector and finally the military.

And as a consequence the Congress never saw fit to appropriate the money for a new system.

About three years ago, and why this is so personal to me, is that I was selected by the then-deputy secretary of defense to do a study on what should be the future course for space launch for national security payloads.

And the DEPSECDEF in those days was Mr. John Deutch. And when we put together the study team, we made sure that it reflected all the customers and all the area people that were interested in this area.

And that means the Defense Department, the intelligence community, the Department of Commerce, the Department of Transportation, and NASA, of course. And we studied it for about three months.

In the course of looking at it, we looked at everything from a status quo to a brand new vehicle, to a reusable vehicle -- that is something that would go, take off like an airplane, launch a payload into orbit and return.

We proposed several options to Mr. Deutch to evaluate, and in proposing those options, we looked very carefully at the economies of space launch. And one of the major things we learned was that there were too many niche markets -- that is we had too many launch systems for the number of payloads that we had.

And therefore, from a business basis, it was a very uneconomical enterprise.

We also looked at the fact that our launch often -- or our launch campaigns often took, you know, up to six months from getting the payload and the booster and actually getting into space, which was far too long. The ultimate decision was to go with an expendable launch system that was evolved.

And that was to take advantage of the technologies that we already had and pursue a booster that -- or a family of vehicles that used common components. Today is the result of that study – the competition that resulted from that study.

We had a marvelous competition. The cost goals were certainly realized, and the reduction in cost. Our objective was 25 percent. I think we will do well better than that.

We also realized significant improvements in processing. And in that area, as I mentioned to you, we were taking months for certain systems. The proposals that you see before you today -- these two winning contractors -- we're talking in terms of days now, as opposed to months.

I think this is extraordinarily important for the nation because of all the wide users, both in a national security sense, but as well in an international sense, an international marketplace. These boosters, these proposals promise a vehicle that will be very competitive on the international market place.

One of the -- I think, one of the most significant things, although cost was the primary concern here, very close behind was this processing time. And the idea that you can spend just a few days on the pad will also have tremendous significance in our competitive position in the world.

It has been a great source of pride to see this culminate today. And I can't overemphasize more how important this is to the Air Force, as the executive agent, in our ultimate goal to operationalize space for the war fighter.

Thank you very much. And I think we're going to now have some questions. I'd like to introduce Mr. Brent Collins, who is the Air Force Program Executive Officer for Space. He is the individual responsible for acquiring our space systems and will manage these contracts. Brent?